

# HOUSE BILL No. 1431

## DIGEST OF INTRODUCED BILL

**Citations Affected:** IC 14-8-2-107; IC 14-28-1-29.5.

**Synopsis:** Floodway reclamation. Establishes the floodway reclamation revolving fund (fund) to assist counties and municipalities in purchasing damaged residential property in floodways. Transfers money from the counter-cyclical revenue and economic stabilization fund to the fund. Makes an appropriation.

**Effective:** July 1, 2007.

**Buck**

January 16, 2007, read first time and referred to Committee on Ways and Means.

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Introduced

First Regular Session 115th General Assembly (2007)

PRINTING CODE. Amendments: Whenever an existing statute (or a section of the Indiana Constitution) is being amended, the text of the existing provision will appear in this style type, additions will appear in **this style type**, and deletions will appear in ~~this style type~~.

Additions: Whenever a new statutory provision is being enacted (or a new constitutional provision adopted), the text of the new provision will appear in **this style type**. Also, the word **NEW** will appear in that style type in the introductory clause of each SECTION that adds a new provision to the Indiana Code or the Indiana Constitution.

Conflict reconciliation: Text in a statute in *this style type* or ~~this style type~~ reconciles conflicts between statutes enacted by the 2006 Regular Session of the General Assembly.

## HOUSE BILL No. 1431

A BILL FOR AN ACT to amend the Indiana Code concerning natural and cultural resources and to make an appropriation.

*Be it enacted by the General Assembly of the State of Indiana:*

SECTION 1. IC 14-8-2-107, AS AMENDED BY P.L.1-2006, SECTION 208, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2007]: Sec. 107. "Fund" has the following meaning:

(1) For purposes of IC 14-9-5, the meaning set forth in IC 14-9-5-1.

(2) For purposes of IC 14-9-8-21, the meaning set forth in IC 14-9-8-21.

(3) For purposes of IC 14-9-8-21.5, the meaning set forth in IC 14-9-8-21.5.

(4) For purposes of IC 14-9-9, the meaning set forth in IC 14-9-9-3.

(5) For purposes of IC 14-12-1, the meaning set forth in IC 14-12-1-1.

(6) For purposes of IC 14-12-2, the meaning set forth in IC 14-12-2-2.

(7) For purposes of IC 14-12-3, the meaning set forth in

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- 1 IC 14-12-3-2.
- 2 (8) For purposes of IC 14-13-1, the meaning set forth in
- 3 IC 14-13-1-2.
- 4 (9) For purposes of IC 14-13-2, the meaning set forth in
- 5 IC 14-13-2-3.
- 6 (10) For purposes of IC 14-16-1, the meaning set forth in
- 7 IC 14-16-1-30.
- 8 (11) For purposes of IC 14-19-8, the meaning set forth in
- 9 IC 14-19-8-1.
- 10 (12) For purposes of IC 14-20-1, the meaning set forth in
- 11 IC 14-20-1-3.
- 12 (13) For purposes of IC 14-20-11, the meaning set forth in
- 13 IC 14-20-11-2.
- 14 (14) For purposes of IC 14-22-3, the meaning set forth in
- 15 IC 14-22-3-1.
- 16 (15) For purposes of IC 14-22-4, the meaning set forth in
- 17 IC 14-22-4-1.
- 18 (16) For purposes of IC 14-22-5, the meaning set forth in
- 19 IC 14-22-5-1.
- 20 (17) For purposes of IC 14-22-8, the meaning set forth in
- 21 IC 14-22-8-1.
- 22 (18) For purposes of IC 14-22-34, the meaning set forth in
- 23 IC 14-22-34-2.
- 24 (19) For purposes of IC 14-23-3, the meaning set forth in
- 25 IC 14-23-3-1.
- 26 (20) For purposes of IC 14-24-4.5, the meaning set forth in
- 27 IC 14-24-4.5-2(5).
- 28 (21) For purposes of IC 14-25-2-4, the meaning set forth in
- 29 IC 14-25-2-4.
- 30 (22) For purposes of IC 14-25-10, the meaning set forth in
- 31 IC 14-25-10-1.
- 32 (23) For purposes of IC 14-25-11-19, the meaning set forth in
- 33 IC 14-25-11-19.
- 34 (24) For purposes of IC 14-25.5, the meaning set forth in
- 35 IC 14-25.5-1-3.
- 36 **(25) For purposes of IC 14-28-1-29.5, the meaning set forth in**
- 37 **IC 14-28-1-29.5(a).**
- 38 ~~(25)~~ (26) For purposes of IC 14-28-5, the meaning set forth in
- 39 IC 14-28-5-2.
- 40 ~~(26)~~ (27) For purposes of IC 14-31-2, the meaning set forth in
- 41 IC 14-31-2-5.
- 42 ~~(27)~~ (28) For purposes of IC 14-25-12, the meaning set forth in

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IC 14-25-12-1.

~~(28)~~ (29) For purposes of IC 14-32-8, the meaning set forth in IC 14-32-8-1.

~~(29)~~ (30) For purposes of IC 14-33-14, the meaning set forth in IC 14-33-14-3.

~~(30)~~ (31) For purposes of IC 14-33-21, the meaning set forth in IC 14-33-21-1.

~~(31)~~ (32) For purposes of IC 14-34-6-15, the meaning set forth in IC 14-34-6-15.

~~(32)~~ (33) For purposes of IC 14-34-14, the meaning set forth in IC 14-34-14-1.

~~(33)~~ (34) For purposes of IC 14-37-10, the meaning set forth in IC 14-37-10-1.

SECTION 2. IC 14-28-1-29.5 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2007]: **Sec. 29.5. (a) As used in this section, "fund" means the floodway reclamation revolving fund established by subsection (b).**

**(b) The floodway reclamation revolving fund is established for the purpose of assisting counties and municipalities in purchasing damaged residential property in floodways. The fund consists of appropriations to the fund and loan repayments. The fund shall be administered by the department.**

**(c) The expenses of administering the fund shall be paid from the money in the fund.**

**(d) The treasurer of state shall invest the money in the fund not currently needed to meet the obligations of the fund in the same manner as other public money may be invested.**

**(e) Money in the fund at the end of a state fiscal year does not revert to the state general fund. Beginning July 1, 2013, if the amount in the fund at the end of a state fiscal year exceeds five million dollars (\$5,000,000), the treasurer of state shall transfer the amount that exceeds five million dollars (\$5,000,000) from the fund to the counter-cyclical revenue and economic stabilization fund (IC 4-10-18).**

**(f) The department may use money in the fund to provide a loan to a county or municipality to purchase an abode or residence if all of the following criteria are met:**

**(1) The abode or residence is located in a floodway.**

**(2) The abode or residence has sustained:**

**(A) major structural damage; or**

**(B) damage that exceeds fifty percent (50%) of the market**

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value of the residence or abode.

(3) In the case of purchases made after June 30, 2009, the abode or residence is purchased within one (1) year after the abode or residence has been declared by the Federal Emergency Management Agency to be damaged.

(g) A county or municipality that receives a loan from the fund under this section must pay back to the fund the principal amount plus interest, as follows:

(1) If the principal of the loan is repaid entirely within three (3) years after the loan is made, the county or municipality shall not be charged any interest.

(2) If the principal of the loan is not repaid entirely within three (3) years after the loan is made:

(A) payments made more than three (3) years but less than five (5) years after the loan is made must include, in addition to the repayment of principal, simple interest at the rate of three percent (3%) per annum (calculated without compounding) on the remaining principal balance of the loan; and

(B) payments made more than five (5) years after the loan is made must include, in addition to the repayment of principal, simple interest at the rate of five percent (5%) per annum (calculated without compounding) on the remaining principal balance of the loan.

(h) The duration of a loan made from the fund under this action may not exceed ten (10) years.

(i) A county or municipality that receives a loan from the fund under this section must enter into a loan agreement with the department. A loan made from the fund by the department may include any terms and conditions considered appropriate by the department.

(j) When a county or municipality transfers any property purchased with a loan made from the fund under this section, the deed must include a restriction prohibiting building or rebuilding any permanent structure in the floodway.

(k) Money in the fund is continually appropriated to the department for the purpose of making loans under this section.

SECTION 3. [EFFECTIVE JULY 1, 2007] (a) On July 1, 2007, the treasurer of state shall transfer twenty million dollars (\$20,000,000) from the counter-cyclical revenue and economic stabilization fund (IC 4-10-18) to the floodway reclamation revolving fund established by IC 14-28-1-29.5, as added by this act.

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- 1           **(b) Money transferred under subsection (a) is appropriated to**  
2           **the floodway reclamation revolving fund established by**  
3           **IC 14-28-1-29.5, as added by this act, for the purposes of the fund.**  
4           **(c) This SECTION expires July 1, 2008.**

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